



**Department of
Veterans Affairs**

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News Release

FOR IMMEDIATE RELEASE
February 8, 2002

VA Announces Decision on Realigning Chicago-Area Hospitals

WASHINGTON -- The Secretary of the Department of Veterans Affairs (VA) has announced his decision to maintain VA's large, multi-specialty outpatient clinic at the Lakeside Division of the VA Chicago Healthcare System and shift inpatient services to a remodeled West Side Division.

In announcing the decision, Secretary of Veterans Affairs Anthony J. Principi said, "These changes will enable us make the best use of our resources by redirecting them where they are most needed and, at the same time, allowing us to treat more veterans at more locations."

Principi said that Chicago has two VA hospitals, and there is a projected need for only one in the city in 2010. "The vast majority of the health care VA provides to veterans is on an outpatient basis," said Principi, "so veterans who use Lakeside will continue to receive most of their care at that site.

"By shifting inpatient care to West Side, VA will meet veterans' future health care needs more efficiently and effectively. We also will enhance our long-term care and specialty programs, such as blind rehabilitation and spinal-cord injury," he added.

Additionally, VA is committed to maintaining the long-standing, mutually beneficial relationship with both Northwestern University Medical School and the University of Illinois, Principi said. Thirteen VA medical centers currently have two medical schools sharing an affiliation at a VA facility.

The announcement is the outcome of a new planning process called CARES (Capital Asset Realignment for Enhanced Services), which VA began in October 2000.

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VA contracted with Booz-Allen & Hamilton to conduct a pilot CARES study in Veterans Integrated Service Network (VISN) 12, which covers the Chicago area, Wisconsin and the Upper Peninsula of Michigan. Nine options were announced in June 2001 for these three areas within VISN 12.

Following an extensive evaluation, three preliminary options were selected, one for each market. The department then initiated a 60-day public comment period. Comments were reviewed by VA's National CARES Steering Committee before recommendations were presented to the Under Secretary for Health, then to the Secretary for the final decision.

Before that decision was made, VA conducted a review of VISN 12's capability to serve as medical backup to the Department of Defense in the event of war and to support federal efforts during national and local disasters. The contractor assessed this role in developing the options for VISN 12. However, in light of the September 11 terrorist attacks, VA wanted to ensure that VISN 12 would be capable of meeting all of its missions simultaneously under the CARES options.

In addition to shifting inpatient services to West Side while maintaining an outpatient clinic at Lakeside, the Lakeside property will be made available for other governmental and commercial uses. The Hines VA Medical Center will be renovated, including the Blind Rehabilitation and Spinal Cord Injury Centers. Sharing opportunities between the North Chicago VA Medical Center and the adjacent Naval Hospital Great Lakes will be enhanced.

In the Central Market, which encompasses Wisconsin, 75 nursing-home beds will be transferred to the Madison VA Medical Center from the Tomah VA Medical Center, bringing Madison to full capacity. The Tomah and Milwaukee VA medical centers will be renovated, and both facilities will maintain their current missions. Milwaukee also will continue to supply spinal cord injury services. In addition, three community-based outpatient clinics are recommended in Green Bay and Wisconsin Rapids, Wis., and Freeport, Ill.

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The Iron Mountain, Mich., VA Medical Center (Northern Market) will continue as an active facility. The medical center will be renovated and will maintain its current role as a telemedicine hub. A new community-based outpatient clinic is recommended in Gladstone (Delta County).

The first phase of the CARES process was a pilot study. Subsequent CARES studies will be conducted throughout the VA health care system. This process is expected to be completed in two years.

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